

● PSF

C. F. Office of Strategic Services

Retired for preservation

Office of Strategic Services
THE WHITE HOUSE
WASHINGTON

October 22, 1942

MEMORANDUM FOR

HON. LAUCHLIN CURRIE *x 3719*

Yes, go ahead and talk first
with Admiral Train of ONI and
also with G-2 in the Army.

x 18-7
x 25-7

F. D. R.

Enclosures

Memorandum for the President from Hon. Lauchlin Currie, 10/20/42, attached to which is letter which the President received from Ernest B. Price, 1149 North Inglewood St., Arlington, Va., 10/8/42, stating reasons why he resigned from the Office of Strategic Services, which had been sent to Mr. Currie by Presidential memorandum of 10/15/42 with the request "Will you look into this?" Mr. Currie states that he will be glad to talk with Mr. Price about the matter if the President so desires. Mr. Currie refers to nature of the activities of the Office of Strategic Services in China.

x 150

x 4485

THE WHITE HOUSE
WASHINGTON

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October 15, 1942.

MEMORANDUM FOR

HON. LAUCHLIN CURRIE

Will you look into this?

F. D. R.

Letter from Ernest B. Price, 1149 North
Inglewood St., Arlington, Va., 10/8/42, to the
President, in reference to his resignation
from the Office of Strategic Services.

The writer has
been forced to
resign from a policy
making post in the
Off. of Strategic Services.
It is charged that he
opposed the policies
of Col. Donovan in
matters relating to
China. In view of
his long residence in
China and the new
Treaty abolishing
extra-territoriality,
together with the
remarks of Wilkie,
it is felt that
certain very secret

operations planned in
China by this Agency
are most unwise &
are calculated to
offend the sensibilities
of China our Ally.
He feels that the
matter is so delicate
that the Pres. attention
should be called
to the whole affair.

THE WHITE HOUSE
WASHINGTON

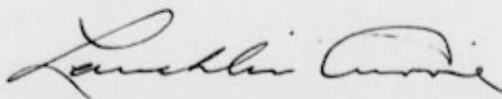
October 29, 1942.

MEMORANDUM FOR THE PRESIDENT:

Re: Letter from Ernest B. Price,
1149 North Inglewood St., Arlington, Va.

The main charge in this letter is that the Office of Strategic Services is attempting to carry on intelligence work in China without the knowledge of the Chinese. I interviewed its sender, Mr. Price, who was formerly with the Office of Strategic Services, and found that he inferred that this was so because certain Chinese in Washington did not know of the activities of Colonel Donovan's representatives in China. I checked separately with Colonel Donovan and with Major Bruce, who has specific charge of such activities. They both assured me that they would not dream of attempting to carry on military intelligence or espionage activities in China without the full consent of the Generalissimo; that they felt if they were going to get any information worthwhile they would have to work very closely with Tai Li, Head of the Chinese Secret Service, who operates directly under the Generalissimo. Actually they were not able to do much as yet and were dissatisfied with the present arrangement whereby their representatives were responsible in the first instance to General Stilwell.

Mr. Price seemed chiefly concerned with getting a job. I think my talk with him obviates the need of a reply to his letter.


Lauchlin Currie

THE WHITE HOUSE
WASHINGTON

October 15, 1942.

MEMORANDUM FOR

HON. LAUCHLIN CURRIE

Will you look into this?

F. D. R.

2

1149 North Inglewood Street
Arlington, Virginia
October 8, 1942

The Honorable
Franklin D. Roosevelt
The White House
Washington, D. C.

Dear Mr. President:

Having just submitted my resignation from the Office of Strategic Services, I am writing this in the capacity of a private American citizen.

Ordinarily, I believe that when a man has terminated his connection with an organization because of disagreement with the policies of his chief, he should keep still, find himself another job, and try to forget all about it. In the present instance, however, my conscience and sense of responsibility as a citizen will not permit this, for I feel that a question of principle is involved, affecting the interests of the American people; their ability to prosecute this war to a successful conclusion; and the establishment of a durable peace afterwards. I ask your pardon, therefore, Mr. President, if I bring certain facts to your attention. My personal relation to the problems involved is inconsequential, and is presented merely by way of illustration.

More than two years ago, seeing the inevitability of American involvement in this war and wishing to be of service, I applied for a commission in the Office of Naval Intelligence, but failed to pass the physical examination. When we entered the war, I offered my services to the State, War, and Navy Departments in any capacity in which I might be useful, but nothing developed. Then in April of this year I received an invitation to join what was then the Office of the Coordinator of Information, now the Office of Strategic Services. I applied for and was granted a year's leave of absence from my position as Director of International House, University of Chicago, and came to Washington May 18. Since that date I have been associated with the Coordinator of Information, later Office of Strategic Services, my work being concerned with the Far East, particularly China, where I had spent sixteen years, fifteen of them in the Foreign Service of the United States and one in business.

While I have had little direct contact with Colonel William J. Donovan, Director of this agency, it early became apparent that my ideas with respect to policy toward China and the Chinese did not accord with his. It was my unfortunate duty, within the first week of my service here, to present objections to certain aspects of a plan which the Colonel had in mind. The objections were accepted, and certain changes were incorporated into the plan, which was subsequently submitted to the Joint Chiefs of Staff and by them approved.

From that time on, my advice on matters touching the Far East was never requested, and Colonel Donovan tended more and more to handle all such matters directly. I became increasingly disturbed over the situation, and sought repeatedly, through my immediate chiefs, to have a talk with the Colonel, but no opportunity was accorded. Meanwhile, I sought to develop projects which would carry out the purposes of the agency so far as concerns the Far East. Of eleven projects submitted, only one has been approved by the Colonel, and that one concerned Japan. On the others I have received no answer.

Finally, it came to my attention that Colonel Donovan was initiating, directly, a project having to do with China, certain aspects of which seemed to me definitely against our national interest. While you are my President and Commander in Chief, and I am no longer associated with the Office of Strategic Services, I feel I am still bound not to divulge, without your specific permission, the details of this plan, but I believe it will suffice to state my general position on the policies involved, to which Colonel Donovan evidently took exception.

It is my conviction, based on more than sixteen years residence in China and life-long study of the Chinese people, that the time has passed when the Chinese will tolerate the existence within their country of special interests enjoyed by Western peoples, whether by treaty or otherwise. Not alone the Government of Chiang Kai Shek, but the Chinese people as a whole, have demonstrated during the past decade their willingness to suffer and if necessary to die to maintain for themselves and their posterity complete independence from foreign domination. They are willing and eager to have our cooperation in the common effort of winning the war, but they will not tolerate within their country, if they can help it, any operations even by friendly governments of which their Government has not been fully apprised or to which it has not given its consent. This applies to subversive or intelligence operations as fully as it does to any other type of activity. It is all very well to say that "we must fight this war with our own men and our own weapons," but we make ourselves the aggressors if we attempt to do so within the territory of a friendly nation without the full knowledge and consent of its government.

Two further considerations must here be added. Out of the sufferings of the past decade, there has been developed in the Chinese people a special sensitiveness to the method by which an offer of cooperation is extended, and the way in which it is actually put into effect. The Chinese Government has in this country, as we have in China, various agencies to represent it: a diplomatic mission with various attachés, a military mission, and so on. These are duly recognized, and they operate, within certain limitations, with our consent; as ours do in China. To go around these people, or to leave them in the dark as to our plans for operations in China, no matter how fully we may expect to explain them at the other end, is impolitic and unwise. "Face" means a great deal to the Chinese, particularly in their present state of sensitiveness.

The second consideration is that whatever subversive or intelligence operations we may hope to undertake in China, if they are to succeed, must be undertaken in full and actual--not merely nominal--cooperation with the appropriate corresponding Chinese agencies. We cannot, for example, carry on espionage or subversive operations in Chinese territory against the Japanese without the knowledge and cooperation of the corresponding Chinese agencies; they would soon discover it in any case, would resent our having attempted it, and would put our agents out of the country, as they did the British. We cannot hope to set up in China a completely independent system of radio or other communications of our own. I would go further and say that for intelligence or subversive operations in China, all plans should be worked out jointly, all operations of each should be known and approved by the other, and all information pooled. On such a partnership basis, I believe we can conduct effective intelligence and subversive operations directed against the common enemy. Without it, we shall be handicapped by Chinese distrust, and by our own inability to conduct such operations on our own.

This latter is in fact the existing situation.

Such is my position on the matter of policy with respect to OSS operations in China. Presumably it is because I hold these ideas, even though I have had little opportunity to present them, that I am charged with "opposing the policies of Colonel Donovan in China." For this reason, and this reason only, so I am told, my resignation from the OSS has been asked; and it has, of course, been tendered.

As stated before, my personal relation to this problem is of little moment. I intend to seek and presume I shall be able to find some niche of usefulness somewhere in the war effort. The larger issue, however, seems to me to be of sufficient importance to justify presentation to you, Mr. President, in the form of this present letter.

Rest assured that my only desire is to see our war effort furthered, and to contribute thereto what little I have to offer.

Very respectfully yours,

Ernest B. Price

Ernest B. Price

~~SECRET~~

OFFICE OF STRATEGIC SERVICES

WASHINGTON, D. C.

May 28, 1943

The Honorable M. H. McIntyre
Secretary to the President
The White House
Washington, D. C.

DECLASSIFIED

E. O. 11652, Sec. 3(E) and 5(D) or (E)

CIA Hr 11/27/74

By *ARS*

Date DEC 4 1974

x197

My dear Mr. McIntyre:

I acknowledge with thanks receipt of your memorandum of April 24, 1943, with which you referred to me for my consideration letter dated April 20, 1943, from Mr. Lytle S. Adams to the President. *

OSS cooperated with Mr. Adams on his idea to the point where experimentation could more appropriately be carried on by the Army Air Forces and the Chemical Warfare Service, who are best fitted to evaluate the idea. Brigadier General O. A. Anderson, Assistant Chief of Air Staff Plans, Army Air Forces, 3 E 1082, Pentagon Building, Arlington, Virginia, is supervising the tests that remain. Accordingly, I have referred Mr. Adams' letter of April 30, 1943, to General Anderson, although it is doubtful, from the nature of Mr. Adams' requests, that any action is called for other than the proper evaluation of the idea--which would be made in any event.

I am informed that Mr. Adams' idea has been thoroughly checked, and so far appears to have met all tests. The single test remaining is the important typical full flight test; preparations for this are now underway.

Mr. Adams is apparently satisfied with progress made to date but fears that the War Department will limit use of his idea to too small an area. This problem can be met only after final tests are completed and the value of the idea in practice assessed and compared with other means available. Among other things to be considered is the fact that if this idea is effective it will necessarily result in widespread damage to civilian populations.

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DECLASSIFIED

Mr. McIntyre

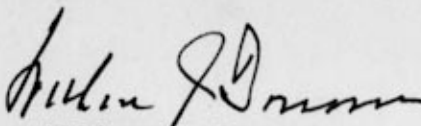
- 2 -

May 28, 1943

Mr. Adams also requests that a cancelled film project relating to his idea be reinstated or a new one inaugurated. It seems to me that the value of such a film is debatable, especially before completion of the remaining tests, but I shall also bring this fact to the attention of General Anderson. x73

Because Mr. Adams in effect asks for Presidential intervention, I respectfully suggest, if you have not already done so, that you thank Mr. Adams for his letter and say that its contents are receiving consideration.

Sincerely yours,


William F. Donovan
Director

~~SECRET~~
DECLASSIFIED

April 24, 1943

Respectfully referred to
Colonel Donovan for consideration
in connection with the President's
memorandum of February 9, 1942,
transmitting to you letter of
January 12, 1942, from Mr. Adams.

M. H. McINTYRE
Secretary to the President

hm

Letter from Lytle S. Adams, Penn Glyn, Irwin, Pa., 4/20/43,
to the President, in further reference to his letter of 1/12/42
to the President; suggesting use of bats for frightening, demoralizing
and exciting the prejudices of the people of the Japanese Empire.
Encloses various papers and photographs regarding the plan.

File

THE WHITE HOUSE
WASHINGTON

February 9, 1942

MEMORANDUM FOR

COLONEL DONOVAN *x4485*

This man is not a nut. It sounds like a perfectly wild idea but is worth your looking into. You might reply for me to Mr. Adams' letter.

F. D. R.

Enclosures

Let to the President 1/12/42 from Lytle S. Adams, Irwin Penn. enclosing "memo for Surprise Attack" - suggests use of bats for frightening, demoralizing and exciting the prejudices of the people of the Jap. Empire.

x4675
x197-A

B. F.

*Office of Strategic
Services*

July 16, 1943.

Dear Mr. Martin:

Thank you very much for your letter of June sixteenth. I am very appreciative of the interesting suggestions in your second paragraph. These were referred immediately to the proper Government authority.

I am most grateful for your expressions of confidence in the last paragraph.

Very sincerely yours,

FRANKLIN D. ROOSEVELT

Darwin R. Martin, Esq., x
Hotel Stuyvesant,
Buffalo, New York.

~~SECRET~~

OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

14 July 1943

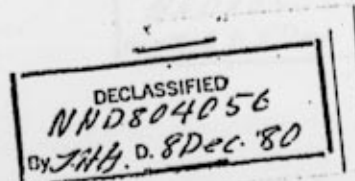
The President
The White House
Washington, D. C.

Dear Mr. President:

In General Donovan's absence I am returning herewith the letter from Mr. Darwin R. Martin to you, together with a suggested draft of reply as requested in your memorandum of June 28th to General Donovan.

It seems to us impossible to reply to this letter in an informative way without committing the Government to some quotable expression, which either approves the practice of counterfeiting money or refuses to consider a plausible war measure. We have therefore drawn a colorless reply.

For your information, in the event you wish to reply more fully, this subject has been thoroughly reviewed and studied in this office. We are prepared to execute any one of several possible plans and have been in touch with representatives of the State, Treasury, and Justice Departments. There are reports of counterfeiting the American dollar by guerillas in both Poland and Rumania. The British have experimented on a local scale with some success in counterfeit ration cards. Distribution is a major problem as dropping from planes is inefficient, and success seems to depend on a widespread underground penetration of the country by agents. The program seems promising if done on a large scale at a moment of crisis in Germany or Japan. In occupied countries it might produce more distress to the conquered than to the conquerors.



~~SECRET~~
~~SECRET~~

The President
Page Two
14 July 1943

If you so desire, we would be glad to submit a report outlining the various projects of this type now under consideration.

Respectfully yours,

G. Edward Buxton -

G. Edward Buxton
Acting Director

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NND804056
By JHH. D. 8 Dec. 80

Copy

Mr. Darwin R. Martin
Hotel Stuyvesant
Buffalo, New York

Dear Mr. Martin:

Thank you very much for your letter of June 16th. I am very appreciative of the interesting suggestions in your second paragraph. These were referred immediately to the proper Government authority.

I am most grateful for your expressions of confidence in the last paragraph.

Sincerely yours,

[Signature]
Franklin D. Roosevelt

x4675-Mic.

(1311)

THE WHITE HOUSE
WASHINGTON

June 28, 1943.

MEMORANDUM FOR

BILL DONOVAN:

x4485

W

FOR PREPARATION OF REPLY
FOR MY SIGNATURE.

F.D.R.

Letter from Darwin R. Martin, Hotel Stuyvesant, Buffalo, N.Y., 6/16/43, to the President. States that one splendid way of "bombing" our enemies to submission might be to disgorge from planes, flying over heavily populated areas, large quantities of well-counterfeited currency - or even ration books - of the type now in use in the country so bombed.

x229
x4920



Hotel Stuyvesant

BUFFALO

A House of Homes

WITH HOTEL SERVICE-PLUS

450 ROOMS - APARTMENTS 180
EACH WITH BATH

16 June 1943

President Franklin D. Roosevelt,
The White House
Washington, D.C.

Dear Mr. President:

The writer, you may possibly recall, was a one-time partner of your ex-son-in-law, Curt Dahl, in the brokerage firm of O'Brien, Potter, Stafford & Co., of Buffalo and New York City. I point to this fact only with the hope that it may save this letter, and the suggestion it contains, from the wastepaper-basket - although the fact that I still hold Curt's outlawed and still unpaid note for some \$68,000. belies my good sense!

Has it occurred to the powers-that-be in charge of our strategy that one splendid way of "bombing" our enemies to submission might be to disgorge from planes, flying over heavily populated areas, large quantities of well-counterfeited currency - or even ration books - of the type now in use in the country so bombed? It should not be very difficult for us to saturate an enemy country with vast quantities of it's own money and thus disrupt it's internal economy almost over night. Even though that country might seek to withdraw from circulation the type of money so dropped, the psychological effect of a temporarily uncontrollable inflation on a fear-ridden country well versed in the disastrous results attendant on resort to the printing press should be far-reaching at this time. Germany, Italy, Hungary and Roumania all remember with horror their past experiences with valueless currency.

I hope someday to have the honor and pleasure of expressing to you in person my admiration and thanks for the splendid job you are doing as our Commander-in-Chief. Be assured that most of the business-men with whom I am acquainted, though they may not have at all times seen eye-to-eye with you politically in the past, are not only amazed but gratified by your practically superhuman accomplishments.

Sincerely,

(Darwin R. Martin)

Not dictated.

(2869)

lmo
THE WHITE HOUSE

WASHINGTON

B. F.
Office of Strategic Services
April 26, 1944.

MEMORANDUM FOR:

MR. BUXTON.

I think that Major Weil had better
have a talk with whoever is handling this
in the State Department and work with them
on a reply for me to send at the same time
I send a reply to King Peter who wrote me
recently. I don't want to cross wires. *x20*

F. D. R.

Memo from G. Edward Buxton, Acting Director, OSS,
4-24-44, together with message from Marshal
Tito of Yugoslavia.

x364

~~SECRET~~

OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

24 April 1944

Miss Grace Tully,
The White House,
Washington, D. C.

Dear Miss Tully:

I would appreciate it if you will be
good enough to deliver the attached to the Presi-
dent.

Sincerely yours,

G. Edward Buxton
G. Edward Buxton, x
Acting Director.

DECLASSIFIED

E. O. 11652, Sec. 3(E) and 5(D) or (E)

CIA Mr 11/27/74

By *DBS*

Date DEC 4 1974

x 4485

~~SECRET~~

OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

SECRET
DECLASSIFIED

24 April 1944

MEMORANDUM FOR THE PRESIDENT

The attached communication from Tito to you was brought out by one of our officers at Tito's request.

Major Weil, the bearer of this message, is in Washington, and will be available if you wish any further information from him.

We will furnish a copy of Major Weil's report which will soon be available.

G. Edward Buxton
Acting Director

DECLASSIFIED
SECRET

~~SECRET~~

His Excellency FRANKLIN ROOSEVELT
President of the United States of America

Sir,

The departure of Lt. Colonel Richard Weil, Jr. AUS. offers me the opportunity of expressing my ~~gratitude~~^X to you for the assistance in material and in the cooperation of your Air Forces, tendered to our Army of National Liberation by you and the people of America.

The superhuman struggle which has been waged by the people of Yugoslavia for the last three years, aims, not only at clearing our country of the criminal occupiers, but also at the creation of a better and more righteous order, which would guarantee true democracy. These aspirations and perspectives have given our nations the strength to endure all the difficulties and suffering of this unequal struggle. For the fulfilment of their strivings the people of Yugoslavia expect the aid of your great democratic country, of the people of the U.S.A., and of yourself.

The achievement of the ideals of our nations is arduous. The enemy is still strong. The struggle with the occupier is still tough and extremely bloody. The home traitors Nedich, Pavelich, Rupnik and Draza Mihailovic, unite their efforts with the occupier to prevent the nations of Yugoslavia from attaining these great and progressive aims. But no sacrifices or difficulties frighten us, for we are convinced in the victory of our righteous cause, as we are certain in the victory of all the Allies over the German Fascist aggressors.

Perhaps no other country is so terribly devastated and ravaged as Yugoslaviy. This war will leave painful wounds which will require a long time to heal. And this will be possible only if the nations of Yugoslaviy receive full economic and political support in the creation of a new, truly democratic, federative Yugoslavia, in which all nations will have their national rights.

Lt. Colonel Weil will be able to expose to you our needs and wishes. I am convinced that they will be granted your support.

/signed/ Tito X
Marshall of Yugoslavia

15th March 1944

~~SECRET~~

X4193